



# Banking Attorneys Field Questions Amid Coronavirus Outbreak

The last week has seen unprecedented developments affecting all of our friends, families and clients. We have fielded a wide array of questions as the situation continues to rapidly evolve. We know you are balancing the challenges surrounding the changing landscape, and we are here to help. For example, some of our financial institutions clients are already receiving requests from their borrowers, especially those in the hospitality industry, about obtaining payment deferrals or accommodations to their credit facilities. In addition, we have helped a number of clients postpone their annual shareholder meetings or transition such meetings to be held by remote communication.

Regardless of your issues, you don't have to invent solutions from scratch. The list below includes some considerations our financial institutions clients are dealing with. We have partnered with our clients to address these requests in a timely manner. Our Banking and Finance Team stands ready to assist however we can.

In the last few days, we have assisted clients with a large number of topics, including:

- Loan deferrals, modifications and payment accommodations
- Credit limit, availability and general liquidity issues (e.g., borrowers asking to immediately and fully draw down a line of credit)
- Waiving fees on deposits, loans, transactions, etc.
- Evaluating loan covenants and defaults
- Reassuring customers as to the safety of deposits (anticipate increased requests for cash)
- Lobby or branch closures
- Staffing issues, alternative working arrangements, related payment and insurance issues
- Protecting the safety of customers and employees, while not infringing rights and complying with employment laws

## **POSTED:**

Mar 20, 2020

## **RELATED PRACTICES:**

[Banking and Finance](#)

<https://www.reinhartlaw.com/practices/banking-and-finance>

## **RELATED SERVICES:**

[Commercial Lending](#)

<https://www.reinhartlaw.com/services/commercial-lending>

[Financial Institutions](#)

<https://www.reinhartlaw.com/services/financial-institutions>



- Board and shareholder meetings – postponement, virtual meetings and compliance with laws and governance documents
- Managing and advising on variable rate products and swaps as indexes fluctuate wildly and go negative
- Suspending or revisiting stock buyback programs
- Navigating landlord / tenant issues
- Monitoring and educating customers regarding the increased risk of fraudulent transactions
- Developing a risk assessment of potential pandemic-related issues, such as cross-training, succession planning, supplies, etc.
- Considering agreements (especially third-party agreements) that may be affected by force majeure provisions
- Advising clients with respect to loan workouts, including the drafting and negotiation of forbearance agreements
- Considering general compliance issues, including potential for Community Reinvestment Act (CRA) credit in connection with various lending associated with those impacted by the coronavirus

As always, our mission is to help clients navigate the challenges they face and support them however we can. If you have any questions, please contact a member of the [Banking and Finance Practice](#) or your Reinhart attorney.

*These materials provide general information which does not constitute legal or tax advice and should not be relied upon as such. Particular facts or future developments in the law may affect the topic(s) addressed within these materials. Always consult with a lawyer about your particular circumstances before acting on any information presented in these materials because it may not be applicable to you or your situation. Providing these materials to you does not create an attorney/client relationship. You should not provide confidential information to us until Reinhart agrees to represent you.*